SANDIA CORPORATION

GROUP LONG-TERM CARE INSURANCE

FINAL PLAN DESIGN SUMMARY

UNDERWRITTEN BY THE JOHN HANCOCK LIFE INSURANCE CO.

Certificate Effective Date: May 1, 2009
Policy Effective Date: May 1, 2009

Plan Enrollment Dates: March 9 - April 10, 2009 (internal grace period ending April 24, 2009) ongoing enrollment thereafter

Situs State: New Mexico

Funding Arrangement: Employer Pooling Arrangement
Client Group #586; GLTC Policy #50201

Eligible Groups

- Regular full-time and part-time, and non-regular full-time and part-time actively-at-work employees (post-doctoral appointees and limited-term employees) working at least 24hours per week
- Retirees
- Spouses of retirees
- Spouses/qualified domestic partners (same sex) of eligible employees [1, 2]
- Parents, Step Parents, parents-in-law and Step Parents-in-law of eligible employees
- Grandparents, Step grandparents, and grandparents-in-law and step grandparents-in-law of eligible employees
- Siblings and spouses of siblings (natural, adoptive or step) of eligible employees and retirees, and of their spouses/qualified domestic partners.
- Adult children (natural, adoptive or step) and their spouses of eligible employees and their spouses/domestic partners[1]

All applicants must reside in the U.S. (50 states and D.C.) on their effective date of coverage, except eligible, active employees and spouses/qualified same-sex domestic partners who are temporarily assigned out of the U.S. to non-U.S. offices applying with U.S. residence addresses. All solicitation materials and certificates must be mailed to the US residence address.

[1] Spouses/qualified domestic partners, siblings and children must be issue age 18 or older on their effective date of coverage.

[2]Coverage for domestic partners is not permitted in Alaska, Idaho, Louisiana, and Oklahoma

Underwriting: **Guaranteed Acceptance (no proof of good health required)**

- Eligible, actively-at-work employees enrolling during the initial 2009 enrollment period
- Employees returning from leave of absence or disability that occurred during the initial enrollment period who enroll within 31 days of return to an actively-at-work status
- New hires within 31 days of first becoming benefit eligible

Important Note: *A change in employment status in the period of time between an active employees' initial enrollment period for guaranteed acceptance and the date their coverage becomes effective could affect their eligibility for this plan and for guaranteed acceptance.*

Full Underwriting
All other eligibles must provide evidence of insurability by completing the Statement of Health on the application.

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Covered Services: Coverage for Nursing Home Care, Alternate Care Facility Care, Community Based Professional Care (CBPC)[1], Stay at Home Benefit[2] and Informal Care.

[1] CBPC includes:

- home health care,
- adult day care,
- hospice care, and
- homemaker services by a licensed provider.

[2] Stay at Home Benefit can be used to pay for LTC expenses not ordinarily covered. Services include:

- care planning visit,
- home modification,
- emergency response system,
- durable medical equipment,
- caregiver training,
- home safety checks, and
- provider care checks.

Services must be provided while insured is living in their home except for the Care Planning Visit.

The total benefits payable for caregiver training cannot exceed 5 x the Nursing Home Daily Maximum Benefit.

Total Stay at Home Benefit is equal to 30 x the Nursing Home Daily Maximum Benefit. It is available during the qualification period and does not reduce the Lifetime Maximum Benefit.

Daily Maximum Benefit (DMB):

PLAN DECISION #1

	Option 1	Option 2	Option 3	Option 4	Option 5
Nursing Home (100%)	$100.00	$150.00	$200.00	$250.00	$300.00
Alternate Care Facility (100%)	$100.00	$150.00	$200.00	$250.00	$300.00
Community Based Professional Care (75%)	$ 75.00	$112.50	$150.00	$187.50	$225.00
Informal Care (25%)	$ 25.00	$ 37.50	$ 50.00	$ 62.50	$ 75.00

CBPC includes home health care, adult day care, hospice care, and homemaker services by a licensed provider.

Informal Care has a calendar year maximum of 30 x the Informal Care DMB.

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Lifetime Maximum Benefit (LMB):

PLAN DECISION #2

	Option 1	Option 2	Option 3	Option 4	Option 5
Three (3) Year Option	$109,500	$164,250	$219,000	$273,750	$328,500
-- NH DMB x number of days in 3 years (1,095)					
Six (6) Year Option	$219,000	$328,500	$438,000	$547,500	$657,000
-- NH DMB x number of days in 6 years (2,190)					
Ten (10) Year Option	$365,000	$547,500	$730,000	$912,500	$1,095,000
-- NH DMB x number of days in 10 years (3,650)					

Stay-at-Home Benefit:
(Does not reduce the LMB)

Option 1	Option 2	Option 3	Option 4	Option 5
$3,000	$4,500	$6,000	$7,500	$9,000

Qualification for Benefits:

Dependency in two out of six Activities of Daily Living (ADLs) or a separate cognitive impairment trigger is used in determining benefit eligibility for insureds. The loss of functional capacity must be expected to last for at least 90 days.

The ADLs are: bathing, dressing, eating, toileting, transferring and maintaining continence.

Qualification Period (QP):

90 days from certification date of benefit eligibility, no incurred expense requirement. The QP need only be met once while continuously insured.

Stay at home benefit and hospice care may be paid during QP. Informal care cannot be paid during QP.

Inflation Adjustment Options:
(Included in the plan)

Future Purchase Option (FPO)

Participants will be offered the option to purchase additional amounts of coverage, without evidence of insurability, every three years. The increase to the Nursing Home DMB will not be less than 5% compounded annually over the 3-year period. The corresponding LMB, as well as all other covered services (i.e., alternate care facilities, CBPC, etc.) will also increase proportionally. These offers are voluntary and insureds will receive subsequent offers unless they are issue age 85 or older, have met the benefit eligibility requirements in the 6 months prior to the increase effective date or if coverage is in reduced paid-up status.

Special State Requirement:

The 6 month look back and age restriction do not apply to residents of Connecticut, Delaware, Kansas and Indiana. Residents of Indiana who decline any inflation addition offer will not be eligible for subsequent offers.

Automatic Benefit Increase (ABI)

PLAN DECISION #3

(Optional to applicant at time of enrollment)

The premium adjustment for future inflation increases is built into the rates at the time of initial enrollment. Benefits will automatically increase by 5% compounded annually with no annual increase in premium. Insureds who purchase this option are not eligible for the FPO. No increase will apply if coverage is in a reduced paid-up status.

Non-Forfeiture Provision: Benefit Bank

An insured may elect to stop paying premiums after at least 3 years of continuous coverage and keep their full Daily Maximum Benefit amount at a lower Lifetime Maximum Benefit. The value of the reduced LMB will be the greater of the sum of the premiums paid into the plan or 30 times the Nursing Home Daily Maximum Benefit. If exercised after 10 years of continuous coverage, the Lifetime Maximum Benefit would be equal to the greater of 90 times the Nursing Home Daily Maximum Benefit or the sum of premiums paid.

Hospice Care: 100% of charges up to the Nursing Home DMB for inpatient hospice. 100% of charges up to CBPC DMB for non-institutional hospice. Hospice Care Benefits are available during the QP.

Temporary Bed Holding Benefit: The plan will continue to pay a benefit to hold a nursing home or alternate care facility bed for up to 60 days per calendar year for an insured whose stay is interrupted for any reason.

Restoration of Benefits: The Lifetime Maximum Benefit can be restored, upon request, if the insured does not currently meet the benefit eligibility criteria and has not met the benefit eligibility criteria during the 24 month period immediately preceding the date of the request, has not exhausted their LMB and has remained continuously insured during the prior 24 month period.

Restoration does not apply if coverage is in a reduced paid-up status. Stay at Home Benefit cannot be restored.

International Benefits: JH can pay benefits for covered services while an insured is permanently residing outside the 50 states or D.C. Satisfactory proof must be received by JH that the insured meets the Benefit Eligibility Criteria, along with documentation that the provider is licensed or certified and services are being rendered in accordance with a Plan of Care. Each level of benefits will be payable up to 75% of the DMB amount that would be payable in the US. The total benefits payable for all covered services on any day will not exceed 75% of the Nursing Home DMB. Only amounts reimbursed will be deducted from the LMB. The total of benefits payable for all charges incurred outside the US will not exceed 2,190 times the DMB. Any remaining amount must be used in the US (50 states and DC). No benefits will be payable under the Stay at Home Benefit or for Respite Care. No benefits are payable during the QP. The same limitations and exclusions apply, except for Coordination of Benefits.

Waiver of Premium: Premiums will be waived, while benefit eligible, after completion of the qualification period. No incurred expenses are required for premiums to be waived.

Alternate Plan of Care: An alternate plan of care can be established by mutual agreement between John Hancock and the insured if the care coordinator identifies alternatives to the current plan that are both appropriate to the insured and cost effective. It may provide benefits for services or supplies not otherwise covered under the plan. Benefits paid under the Alternate Plan of Care will reduce the LMB.

Premium Payment Options: All insureds may choose direct billing or automatic bank withdrawal.

Issue Age: Actual age on the later of May 1, 2009, benefit eligibility date or the date the application is received.

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Coordination of Benefits (COB): This plan will coordinate with other group medical and government plans but not Medicare or Medicaid. In order to meet the requirements of HIPAA, which gives tax favored treatment to Qualified LTC policies, this policy includes a Medicare offset.

Special State Provision: *The COB provision does not apply to residents of Connecticut*

Pre-existing Condition: The plan does not include a pre-existing condition limitation.

Rate Guarantee: Premium rates are guaranteed until April 30, 2014

Telephone Numbers:

- Toll-free number: 1-800-932-4304
- Calling from outside the USA (John Hancock):.....1-617-572-0048
- For TTY/TTD calls (John Hancock):.....1-800-255-1808

Electronic Contacts: E-mail: gltc@jhancock.com

Web site: http://Sandia.jhancock.com
(User name: Sandia, Password: mybenefit)